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TO: NSC -Mr. Michael O. Wheeler
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SUBJECT: Central America Speech

Attached is the final version of the speech on "The Struggle for Democracy in Central America" which Secretary of State Shultz will deliver in Dallas on April 15, 1983.

Charles Hill
Executive Secretary

Attachment:

As stated.

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"THE STRUGGLE FOR DEMOCRACY IN CENTRAL AMERICA"
AN ADDRESS BY
SECRETARY OF STATE
GEORGE P. SHULTZ
Dallas, April 15, 1983

Any discussion of Central America has to begin with three questions:

-- Why should we care about Central America?

-- What is going on there now?

-- What should we do about it?

The questions are important. But they have also become so clouded with emotion that there is, even in the Congress and the foreign affairs community, a tendency to substitute rhetoric for facts. So I will try to answer them plainly and clearly.

1.

It is hard to deny Central America's importance to the United States.

Central America is so close that its troubles automatically spill over onto us, so close that the strategic posture of its countries affects ours, so close that its people's suffering brings pain to us as well.

I need not remind Texans that only the stability of our neighbors will prevent unprecedented flows of refugees northward to this country. Especially now, when a troubled world economy invites unrest, we must safeguard democracy and stability in our immediate neighborhood.

And I did not use the word "strategic" lightly. Despite the 1962 Cuban missile crisis, and despite last year's war between Argentina and the United Kingdom, most Americans think of Latin America as not involved in the global strategic balance. People are aware, of course, that Cuba has intervened militarily in Africa, but they may not realize that Cuba's army is today threetimes larger than it was in 1962, or that 40,000 Cuban troops are now stationed in Africa, or that 2,000 Cuban military and security advisors are in Nicaragua.

Some of you may also not have noticed that Nicaragua's Minister of Defense said on April 9 that Nicaragua would consider accepting Soviet missiles if asked.

In the great debate about how best to protect our interests in the Panama Canal, the only thing all sides agreed on was that the Canal was critical, and had to be kept open and defended. Yet the security of the Panama Canal is directly affected by the stability and security of Central America.

And the Canal itself is but a 50-mile span in thousands of miles of sea lanes across the Caribbean. In peacetime, 44 percent of all foreign trade tonnage and 45 percent of the crude oil to the U.S. pass through the Caribbean. In a European war, much of the petroleum and reinforcements destined for our forces in Europe would go by sea from Gulf ports through the Florida Straits onward to Europe.

During World War II, our defenses were so weak, our lifelines so exposed, that in the first months of 1942 a handful of enemy subs sank hundreds of ships in the Caribbean and Gulf of Mexico -- and did it more easily and faster than did Hitler's whole fleet in the North Atlantic. Almost exactly 41 years ago, a Mexican tanker -- running with full lights as was the custom for neutrals -- was sunk off Miami. That June, a single submarine, U-159, sank 8 American ships in 4 days, two of them just off the entrance to the Panama Canal.

Hitler's Germany had no bases in the Caribbean, not even access to ports for fuel and supplies.

Most Americans have assumed that, because the Soviet Union knows that we will not accept the emplacement of strategic weapons in Cuba, we had nothing more to fear. It is true that there are no nuclear weapons in Cuba. And it is true that Cuba's communist utopia has proved such an economic disaster that it is entirely dependent on massive Soviet aid -- to the tune of some $4 billion annually. Yet this has not kept Cuba from portraying itself as the vanguard of a better future and mounting a campaign to establish new Communist dictatorships in Central America.

2.

There are some people, I know, who think that we in the Administration are exaggerating the danger. Let me, however, read you this quote:

> "The revolutionary process of Central America is a single process. The triumphs of one are the triumphs of the other... Guatemala will have its hour. Honduras its. Costa Rica, too, will have its hour of glory. The first note was heard in Nicaragua."

In case you were wondering, the speaker was not an Administration spokesman. That confident prediction comes from Cayetano Carpio, principal leader of the Salvadoran guerrillas. In the August 25, 1980 edition of the Mexican magazine Proceso. Look it up.

Our analysis, our strategy, our predictions for the future of Central America are rooted in two perceptions. One is that democracy cannot flourish in the presence of extreme inequalities in access to land, opportunity, or justice. The second perception is that Mr. Carpio and his allies are exploiting such inequities for anti-democratic ends.

I quoted a terrorist leader because it is beliefs like his -- backed by armed violence -- that so concern our friends in Central America. In Costa Rica, where democracy and respect for human rights is an ancient tradition; in Honduras, where democratic institutions are catching hold; in El Salvador, where democracy is beginning to work; even in Nicaragua, where disillusionment is the order of the day.

Ask the people who live there. They will tell you, as they have told us -- through their governments, in their public opinion polls and in their newspaper and radio editorials -- that the revolution about which Carpio boasts is a frightening phenomenon: a direct threat to their democracy and well-being. They will tell you that we North Americans should also be concerned. Not because Mr. Carpio will tomorrow lead an FMLN batallion across the Rio Grande, but because the cause of democracy and human rights is our cause too.

Frankly, I agree. We cannot in good conscience look the other way when democracy and human rights are challenged in countries very near to us which look to us for help. President Reagan put it well last month: "human rights means working at problems, not walking away from them."

3.

So the key question is what we should do.

A primary element of our strategy must be to support democracy, reform and the protection of human rights. Democracies are far less likely to threaten their neighbors -- or abuse their citizens -- than dictatorships.

The forces of democracy are many and varied. Some are deeply rooted, as in Costa Rica, which has known nothing but democracy for 35 years. Others are more fragile, but have grown steadily as economic development has strengthened the middle class and as trade unions and peasant organizations are making pluralism a reality. The Catholic Church has also made important contributions to democracy and social progress. So also has the United States, through culture, example, and more recently through diplomacy as well.

The forces of dictatorship are of two kinds. One is old, the other new. The old variety is that of economic oligarchy, political despotism, and military repression. Except for Costa Rica, this has been the traditional method of social organization for most of Central America's history. The new form of dictatorship is that of a command economy, a self-appointed elitist vanguard, and guerrilla war. Nicaragua has become its base, all of Central America its target.

Before the Sandinistas came to power in Nicaragua in 1979, they promised free elections, political pluralism, and nonalignment. Today every one of these promises is being betrayed. First the Sandinistas moved to squeeze the democrats out of the governing junta, then to restrict all political opposition, all press freedom and the independence of the Church, then to build what is now the largest armed force in the history of Central America; then to align themselves with the Soviet Union and Cuba in subverting their neighbors.

El Salvador became the first target. In 1980, at Cuban direction, several Salvadoran extremist groups were unified in Managua, where their operational headquarters remains to this day. Cuba and its Soviet bloc allies then provided training and supplies which began to flow clandestinely through Nicaragua to El Salvador to fuel an armed assault. The Communist intervention has not brought the guerrillas to power,

but it has cost thousands of lives and widened an already bitter conflict. Today, El Salvador hangs in the balance, with reforming democrats pitted against the forces of old and new dictatorship alike.

The struggle for democracy is made even more difficult by the heavy legacy of decades of social and economic inequities. And in El Salvador as elsewhere, the world recession has hit with devastating effects.

We must also therefore support economic development. Underdevelopment, recession -- and the guerrillas' "prolonged war" against El Salvador's economy -- cause human hardship and misery that are being cynically exploited by the enemies of democracy. Three-quarters of the funds we are spending in support of our Central American policy go to economic assistance. And our economic program goes beyond traditional aid: the President's Caribbean Basin Initiative is meant to provide powerful trade and investment incentives to help these countries achieve self-sustaining economic growth.

But just as no amount of reform can bring peace so long as guerrillas believe they can win a military victory, no amount of economic help will suffice if guerrilla units can destroy roads, bridges, power stations and crops again and again with impunity.

So we must also support the security of El Salvador and the other threatened nations of the region. Security assistance is not an end in itself, but a shield for democratization and development. Our neighbors need military training and materiel to hold off the guerrillas and give democratic reform time to take root.

Finally, faced with a grave region-wide crisis, we must seek region-wide peaceful solutions. We have told Cuba and the Soviet Union that a very dangerous situation could arise if they were to introduce equipment or forces that could threaten neighboring countries. At the same time, together with the region's democracies, we are trying to persuade the Sandinistas that they should come to the bargaining table ready to come to terms with their neighbors and with their own increasingly troubled society. Internal reconciliation -- through democratic elections, guarantees of personal security, and amnesty -- is an alternative to violence and its consequences.

4.

Let's look now at how this strategy works in practice. And let me turn first to El Salvador.

The basic fact about El Salvador today is that its people want peace. Because they do, they have laid the essential groundwork for national reconciliation and renewal.

Let me give you some details.

First, even in the midst of guerrilla war, respect for human rights has grown. Violence against non-combatants is still high, but it has diminished markedly since our assistance began three years ago. The treatment of individuals in prison for security reasons has improved: prison facilities are better and there is regular international access to detained individuals. Even so, the criminal justice system remains a major concern -- one I will come back to in a moment.

Second, in three short years and despite determined guerrilla opposition, El Salvador's government has redistributed more than 20 percent of all arable land. Some 450,000 people -- about one Salvadoran in every ten -- have benefitted directly. Strong peasant organizations have emerged. With the the recent extension of the land reform legislation, the distributive aspects of the reform, if continued at the present pace, can be completed this year.

Third, the general economic situation is poor. Production has declined sharply each of the past four years. Just to stay even this year, El Salvador will need substantial economic assistance to import seed, fertilizer, and pesticides for its farms and raw materials for its factories.

This economic crisis stems in part from the international recession, which has depressed the prices of the agricultural exports -- coffee, cotton, sugar -- on which El Salvador depends for foreign exchange. But the more serious problem is the guerrilla war against the economy. Some of the most fertile land cannot be cultivated because of guerrilla attacks. They have destroyed 55 of the country's 260 bridges and damaged many more. The national water authority must rebuild 112 water facilities damaged by guerrilla action. Two hundred and forty-nine attacks on the telephone system have caused millions of dollars in damage. The guerrillas caused over 5,000 interruptions of electrical power in a 22-month period ending last November -- an average of almost 8 a day. The entire eastern region of the country was blacked out for over a third of the year in both 1981 and 1982. The guerrillas destroyed over 200 busses in 1982 alone. Less than half the rolling stock of the railways remains operational.

In short, unable to win the free loyalty of El Salvador's people, the guerrillas are deliberately and systematically depriving them of food, water, transportation, light, sanitation and work. It is the war of a violent minority against the overwhelming majority of the Salvadoran people. The Archbishop of El Salvador put it bluntly in a statement on March 18: "The population wants there to be peace. I do not see that the guerrillas, who have progressed militarily and in

experience, have popular support.... There have been about four or five offensives and who knows how many more to come. But the people want [peace]."

This brings me to a fourth point. The three government battalions we have trained conduct themselves professionally both on the battlefield and in their relations with civilians. Yet the Salvadoran armed forces face the difficult task of fighting mobile and well-trained enemy units supported from the outside, while also protecting power plants, bridges, and highways as well as population and production centers. And so far, only one Salvadoran soldier in ten has received our training -- fewer than the many "guerrillas" trained by Nicaragua and Cuba.

Fifth, and finally, what is at issue in El Salvador is the cause of democracy. I cannot stress this point enough. And here the progress has been substantial. The Constituent Assembly elected a year ago has drafted a new constitution, sustained a moderate Government of National Unity, and extended the land reform. Most importantly, perhaps, the politicians and parties who participated in the March 1982 elections and are now represented in the Assembly have begun to fix common goals in the pursuit of a political solution to their country's problems.

The most concrete indication of the self-confidence and growing strength of El Salvador's new democratic leaders took place last month, in the presence of His Holiness Pope John Paul II. On March 6, the President of El Salvador, Alvaro Magana, announced that national elections will be held in El Salvador this year, and that they will be open to all political parties and groups. On March 17, El Salvador's Peace Commission, made up of a Catholic Bishop and two civilians, proposed legislation for a general amnesty that is now before the Constituent Assembly. And the President of the Constituent Assembly has explicitly called for the main political unit of the guerrillas, the Frente Democratico Revolucionario (FDR), to take part in the elections.

As President Reagan has made clear, we support negotiations aimed at "expanding participation in democratic institutions -- at getting all parties to participate in free, non-violent elections." We will not support negotiations that short-circuit the very democratic process El Salvador is trying to establish; we will not carve up power behind the people's backs as happened in Nicaragua. We will help El Salvador to guarantee the personal security of candidates and their supporters, discourage coercion or intimidation, and help ensure access to media, an honest tally, and -- ultimately -- respect for the people's verdict.

Let me return a moment to the deeply troubling problem of El Salvador's ineffective system of criminal justice. Further progress in protecting human rights and instilling respect for the law will be gravely hampered if the courts do not bring cases to a timely and impartial conclusion.

Independent Salvadoran commissions are now preparing recommendations for improving the judicial system, and a U.S. legal team headed by Attorney General William French Smith is in El Salvador right now studying where we can help the most. Some problems may be subject to relatively prompt action: for example, increasing security for judges and other court officials or transferring jurisdiction over military offenders to military courts. Other problems, such as reviewing rules of evidence and substantive criminal law or improving case management, investigative techniques and judicial administration, will by their very nature take longer. We hope that Latin American democracies, like Costa Rica and Venezuela whose legal procedures are closer than ours to those of El Salvador will also help.

5.

Let me turn now to Nicaragua.

Nicaraguans in growing numbers have concluded that their struggle for democracy has been betrayed. The preeminent hero of the anti-Somoza revolution, Eden Pastora, who as Commander Zero led the takeover of the Somoza National Assembly in 1978, is now in exile. So is Alfonso Robelo, a key member of the governing junta that replaced Somoza. So is Miskito Indian leader Brooklyn Rivera. And so now is Adolfo Calero, the anti-Somoza businessman who for three years tried hard to play the role of "loyal opposition" inside Nicaragua. They and thousands of others in and out of Nicaragua bear witness that what began as an extraordinary national coalition against Somoza has cracked and shriveled under the manipulation of a handful of ideologues fortified by their Cuban and Soviet-bloc military advisors.

But there is an answer to Nicaragua's problems. As in El Salvador, it is a political one. Last October, eight democratic countries of the region, meeting in San Jose, Costa Rica, called on Nicaragua to join them in allowing freedom of action for peaceful democratic groups, ending cross-border guerrilla violence, and freezing the growth of military arsenals. We support such negotiations, President Reagan has said, "to strengthen democracy, to halt subversion, to stop the flow of arms, to respect borders, and to remove all the foreign military advisors -- the Soviets, Cubans, East Germans, PLO, as well as our own -- from the region." If accepted, the San Jose

proposals would reduce East-West tensions in Central America and lead to a regional political solution.

Yet Nicaragua has so far refused even to discuss these principles, just as it earlier spurned our own efforts to reach a bilateral understanding to deal with mutual concerns.

Peace initiatives have recently centered on a call for a meeting of Foreign Ministers of the five Central American countries (Costa Rica, El Salvador, Honduras, Nicaragua and Guatemala), observed by the Foreign Ministers of five other Latin American countries -- Colombia, the Dominican Republic, Mexico, Panama, and Venezuela. To maximize the chances that Nicaragua would participate, we have not been included. This is acceptable to us. Nicaragua's good faith -- or lack of it -- is being tested, again.

6.

Our commitment to peace and democracy in Central America is not, of course, limited to El Salvador or Nicaragua. Like us, Costa Rica and Honduras have not given up hope that Nicaragua will return to the tenets of democracy and peace for which its people fought in 1979. But as Nicaragua's immediate neighbors, they feel directly the spill-over of Nicaragua's militarization and growing internal troubles. Six thousand Nicaraguans are

now living in exile in Costa Rica. In Honduras, the flow of refugees from Nicaragua continues to rise. Last year alone, some fifteen thousand Miskito Indians fled to Honduras rather than accept forced relocation by the Nicaraguan government.

Until a peaceful solution is found, we must continue to bolster Honduras and Costa Rica. Both are democratic. Both have been hit hard economically by the regional turmoil and the world recession. And both have been victimized by terrorism directed from Nicaragua. We want to strengthen these democracies and help them provide their peoples stability and hope even in the midst of regional crisis.

7.

Democracy in Central America will not be achieved overnight. And it will not be achieved without sustained U.S. support.

Our consultations with the Congress over the last month have revealed a bipartisan consensus on goals. No one wants to see Communist guerrillas take power in El Salvador. No one wants to see a second or third or fourth Nicaragua in Central America. Americans everywhere want to see Central America develop peacefully and democratically.

To support our objectives in Central America -- democracy, development, justice and the security to make them possible -- Congress has authorized substantial economic assistance. Controversy continues, however, over military aid to El Salvador -- the country literally under the gun.

The security assistance we have asked for is to build disciplined, skilled armed forces to serve as a shield for democratization and development. We are not planning to Americanize the fighting or to send El Salvador advanced heavy weapons like Nicaragua's Soviet tanks. We will help El Salvador's armed forces to increase their mobility, and to acquire necessary munitions, spare parts, engineering equipment and medical supplies. But our primary emphasis is on greatly expanded training for Salvadoran soldiers.

Time is important. To quote Senator Henry Jackson, "if you're going to have the ballot box free and open, there must be a shield behind which the people can participate."

Whether we will be able to help provide this shield in time depends on the Congress. In the middle of a war, the Congress has cut security assistance by two thirds from one fiscal year to another. The Administration is seeking to restore these funds. The people of El Salvador must have confidence that we will see their struggle through, or else hope for democracy may not survive.

8.

In summation, let me say again that there are many reasons for us to care about what happens in Central America.

One is strategic. What is happening in Central America could endanger our own security and that of our friends throughout the Caribbean Basin -- from Mexico to the Panama Canal.

But an equal reason is moral. How can we, in the name of human rights, abandon our neighbors to a brutal military takeover by a totalitarian minority? If our concern is freedom, will a Communist victory provide it? If our concern is judicial fairness, will a Communist regime provide it? If our concern is poverty, will a Communist economic system provide prosperity?

The American people and their elected representatives have difficult choices to make. It is easy to play the demagogue, and it is tempting to avoid hard decisions. But if we walk away from this challenge, we will have let down not only all those in Central America who yearn for democracy, but we will have let ourselves down. We cannot be for freedom and human rights only in the abstract. If our ideals are to have meaning, we must defend them when they are threatened.

Let us meet our responsibility.